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Security Council

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Security Council Committee established pursuant to resolution 1267 (1999) concerning Al-Qaida and the Taliban and associated individuals and entities

Note verbale dated 12 September 2003 from the Permanent Mission of Iceland to the United Nations addressed to the Chairman of the Committee

The Permanent Mission of Iceland to the United Nations presents its compliments to the Chairman of the Security Council Committee established pursuant to resolution 1267 (1999) concerning Al-Qaida and the Taliban and associated individuals and entities, and with reference to the Chairman's letter dated 4 March 2003 to the Permanent Representative of Iceland to the United Nations, has the honour to transmit herewith the report of the Government of Iceland in accordance with paragraph 6 of resolution 1455 (2003) (see annex).

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Annex to the note verbale dated 12 September 2003 from the Permanent Mission of Iceland to the United Nations to the Chairman of the Committee

Updated report in accordance with paragraph 6 of Security Council resolution 1455 (2003) on steps taken by Icelandic authorities to implement the measures imposed by paragraph 4 (b) of Security Council resolution 1267 (1999), paragraph 8 (c) of resolution 1333 (2000), paragraphs 1 and 2 of resolution 1390 (2002)

I. Introduction

1. Please provide a description of activities, if any, by Usama Bin Laden, Al-Qaida, the Taliban and their associates in your country, the threat they pose to the country and the region, as well as likely trends.

No evidence of activity by Usama Bin Laden, Al-Qaida, the Taliban and/or their associates has been detected in Iceland.

No specific threats to Iceland have been identified. It should be noted, however, that Iceland considers that terrorism constitutes a great threat to international peace and security.

II. Consolidated List

2. How has the 1267 Committee's List been incorporated within your legal system and your administrative structure, including financial supervision, police, immigration control, customs and consular authorities?

Act No. 5/1969 regarding the implementation of Security Council Resolutions grants the Icelandic Government the authority to implement Security Council Resolutions by Public Announcements, when the Government deems it necessary, in order to make the measures of the resolutions binding within Icelandic territory and jurisdiction. The Act was enacted in order to facilitate Iceland's fulfilment of its obligations as a Member State of the United Nations.

The Act makes it subject to penalty to disregard or act against the provisions of such Public Announcement. The maximum penalty is two years imprisonment. The Government of Iceland has made use of Act No. 5/1969 on several occasions but hitherto nobody has been sentenced under the Act.

By Public Announcements Nos. 776/2001 and 349/2002 the List was enacted by prohibiting all kinds of financial services described in the Resolution to those individuals and entities identified on the List.

According to Amendment No 50/2003 to Act No 87/1998 on Official Supervision of Financial Operation, which was enacted on 7 April 2003, the Financial Supervisory Authority [Fjármálaeftirlitið - http://www.fme.is] now has the task to implement international obligations by which Iceland is bound, including the resolutions of the Security Council, concerning financial assets and money transactions. The Financial Supervisory Authority instructs those financial institutions and individuals, subject to the above-mentioned Act, not to engage in business with listed persons and/or entities and furthermore, they are obliged to prevent by any means such individuals and/or entities from receiving any kind of financial assets.

The Financial Supervisory Authority controls that these instructions are followed. If it is discovered that instructions are disregarded, the Financial Supervisory Authority will inform the National Commissioner of the Icelandic Police, who has the duty to take necessary actions to freeze these assets.

3. Have you encountered any problems with implementation with regard to the ames and identifying information as currently included in the List? If so, please describe these problems.

So far no problems have been encountered.

4. Have your authorities identified inside your territory any designated individuals or entities? If so, please outline the actions that have been taken.

No.

5. Please submit to the Committee, to the extent possible, the names of individuals or entities associated with Usama Bin Laden or members of the Taliban or Al-Qaida that have not been included in the List, unless to do so would compromise investigations or enforcement actions.

N/A

6. Have any listed individuals or entities brought a lawsuit or engaged in legal proceedings against your authorities for inclusion in the List? Please specify and elaborate, as appropriate.

N/A

7. Have you identified any of the listed individuals as nationals or residents of your country? Do your authorities have any relevant information about them not already included in the List? If so, please provide this information to the Committee as well as similar information on listed entities, as available.

No.

8. According to your national legislation, if any, please describe any measures you have taken to prevent entities and individuals from recruiting or supporting Al-Qaida members in carrying out activities inside your country, and to prevent individuals from participating in Al-Qaida training camps established in your territory or in another country.

By Amendment No. 99/2002 to the Penal Code No. 19/1940 it has been criminalized to participate in terrorist actions and to support, directly and indirectly, such activities.

III. Financial and Economic Assets Freeze

9. Please describe briefly:

• the domestic legal basis to implement the asset freeze required by the resolutions above;

a) Act No. 5/1969 on Implementation of Security Council Resolutions, see 2, *supra*.

b) On the basis of Act No. 19/1991 on Public Proceedings the Police can freeze such assets while investigating criminal activities, including participation in terrorists activities or supporting such activities. If the suspects are later convicted the assets will consequently be confiscated.

c) Act No. 80/1993 on the Prevention of Money Laundering can also be the basis for such freezing in cases to which the Act is applicable.

• any impediments under your domestic law in this context and steps taken to address them.

N/A.

10. Please describe any structures or mechanisms in place within your Government to identify and investigate Usama bin Laden, Al-Qaida or Taliban related financial networks, or those who provide support to them or individuals, groups, undertakings and entities associated with them within your jurisdiction. Please indicate, as appropriate, how your efforts are coordinated nationally, regionally and/or internationally.

The Financial Supervisory Authority is in charge of controlling that the List is implemented as further is described in 2, *supra*.

The National Commissioner of the Icelandic Police is in charge of upholding law and order. It is therefore his tasks to supervise any criminal investigation on Icelandic territory.

11. Please convey the steps banks and/or other financial institutions are required to take to locate and identify assets attributable to, or for the benefit of, Usama bin Laden or members of Al-Qaida or the Taliban, or associated entities or individuals. Please describe any "due diligence" or "know your customer" requirements.2 Please indicate how these requirements are enforced, including the names and activities of agencies responsible for oversight.

Neither individuals nor legal entities can open bank accounts, saving accounts or saving custody facilities in Icelandic banks or financial institutions unless they have Icelandic identification numbers. In cases of foreigners they must apply for such numbers to the Icelandic Statistics Office.

Banks and financial institutions must also ask those seeking to open bank account or seeking saving custody facilities for official document confirming their identity before they can accept them as their customers.

The Act on Prevention of Money Laundering also provides that banks and financial institutions must inform the National Commissioner of the Icelandic Police of any suspect transactions.

12. Resolution 1455 (2003) calls on Member States to provide "a comprehensive summary of frozen assets of listed individuals and entities." Please provide a list of the assets that have been frozen in accordance with this resolution.

None has been frozen so far.

This list should also include assets frozen pursuant to resolutions 1267(1999), 1333 (2001) and 1390 (2002). Please include, to the extent possible, in each listing the following information:

• identification(s) of the person or entities whose assets have been frozen;

• a description of the nature of the assets frozen (i.e., bank deposits, securities, business assets, precious commodities, works of art, real estate property, and other assets);

• the value of assets frozen.

So far, Icelandic authorities have not frozen any assets in accordance with the above mentioned Security Council resolutions.

13. Please indicate whether you have released pursuant to resolution 1452 (2002) any funds, financial assets or economic assets that had previously been frozen as being related to Usama Bin Laden or members of the Al-Qaida or the Taliban or associated individuals or entities. If so, please provide reasons, amounts unfrozen or released and dates.

No funds or assets have been frozen or released pursuant to resolution 1452 (2002).

14. Pursuant to resolutions 1455 (2003), 1390 (2001), 1333 (2000) and 1267 (1999), States are to ensure that no funds, financial assets or economic resources are made available, directly or indirectly, to Listed individuals or entities or for their benefit, by nationals or by any persons within their territory. Please indicate the domestic legal basis, including a brief description of laws, regulations and/or procedures in place in your country to control the movements of such funds or assets to designated individuals and entities. This section should include a description of:

• The methodology, if any, used to inform banks and other financial institutions of the restrictions placed upon individuals or entities listed by the Committee, or who have otherwise been identified as members or associates of Al-Qaida or the Taliban. This section should include an indication of the types of institutions informed and the methods used.

See 2 supra.

• Required bank-reporting procedures, if any, including the use of Suspicious Transaction Reports (STR), and how such reports are reviewed and evaluated.

See 11 supra.
Evaluation is made by National Commissioner of the Icelandic Police.

• Requirements, if any, placed on financial institutions other than banks to provide STR, and how such reports are reviewed and evaluated.

Same as above applies to other financial institutions.

• Restrictions or regulations, if any, placed on the movement of precious commodities such as gold, diamonds and other related items.

Such regulations are under consideration.

• Restrictions or regulations, if any, applicable to alternate remittance systems such as -- or similar to -- "hawala", as well as on charities, cultural and other non-profit organizations engaged in the collection and disbursement of funds for social or charitable purposes.

Such regulations are not in force.

IV. Travel Ban

15. Please provide an outline of the legislative and/or administrative measures, if any, taken to implement the travel ban.

Relevant Icelandic authorities have been instructed about the travel ban. Iceland is also a Member State of the Schengen Information System which contains the "stop list"

16. Have you included the names of the listed individuals in your national "stop list" or border checkpoint list? Please briefly outline steps taken and any problems encountered.

See no. 15. No problems have been encountered so far.

17. How often do you transmit the updated List to your border control authorities? Do you possess the capability of searching List data using electronic means at all your entry points?

The List is updated shortly after amendments are made to it.

18. Have you stopped any of the listed individuals at any of your border points or while transiting your territory? If so, please provide additional information, as appropriate.

No.

19. Please provide an outline of the measures, if any, taken to incorporate the List in the reference database of your Consular offices. Have your visa issuing authorities identified any visa applicant whose name appears on the List?

As stated in No 15, Iceland is a Member State of the Schengen Information System to which the Consular offices are referred when issuing visas.

V. Arms Embargo

20. What measures, if any, do you now have in place to prevent the acquisition of conventional arms and weapons of mass destruction (WMD) by Usama bin Laden, members of Al-Qaida organization and the Taliban and other individuals, groups, undertakings and entities associated with them? What kind of export control do you have in place to prevent the above targets from obtaining the items and technology necessary for weapons development and production?

Neither conventional arms nor weapons of mass destruction are produced in Iceland.

According to the Weapons Act No. 16/1998, all trade in arms, including export and import, is unlawful unless special permission has been granted by the National Commissioner of the Icelandic Police. Failure to comply with the provisions of this Act is punishable by deprivation of liberty for a maximum period of up to four years.

21. What measures, if any, have you adopted to criminalize the violation of the arms embargo directed at Usama bin Laden, members of Al-Qaida organization and the Taliban and other individuals, groups, undertakings and entities associated with them?

According to Public Announcements Nos. 776/2001 and 349/2002, selling arms to the A-Qaida and Taliban is prohibited. Punishment for disobeying these provisions is up to two years imprisonment.

22. Please describe how your arms/arms broker licensing system, if any, can prevent Usama bin Laden, members of Al-Qaida organization and the Taliban and other individuals, groups, undertakings and entities associated with them from obtaining items under the established arms embargo.

No arms/arms broker licences are issued in Iceland. Export of arms are subject to licence issued by the National Commissioner of the Icelandic Police as further described in No. 20.

23. Do you have any safeguards that the weapons and ammunition produced within your country will not be diverted/used by Usama bin Laden, members of Al-Qaida organization and the Taliban and other individuals, groups, undertakings and entities associated?

No weapons or ammunition are produced in Iceland. Therefore this question does not apply to Iceland.

VI. Assistance and conclusion

24. Would your state be willing or able to provide assistance to other States to help them implement the measures contained in the above-mentioned resolutions? If so, please provide additional details or proposals.

N/A

25. Please identify areas, if any, of any incomplete implementation of the Taliban/Al-Qaida sanctions regime, and where you believe specific assistance or capacity building would improve your ability to implement the above sanctions regime.

N/A

26. Please include any additional information you believe pertinent.

None.